



# Welcome to Medicare



---

---

---

---

---

---

---

---



## What is SHIP?

### Objective Information Source

- Part of the State of Iowa Insurance Division
- Answers questions and provides assistance
- Doesn't recommend or endorse specific companies, products or agents

---

---

---


---

---

---

---

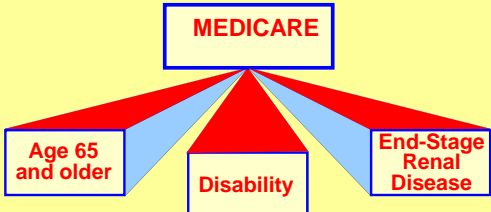
---



## MEDICARE

### Who Is Eligible?

Must be a U.S. citizen or permanent resident for 5 years



---

---

---

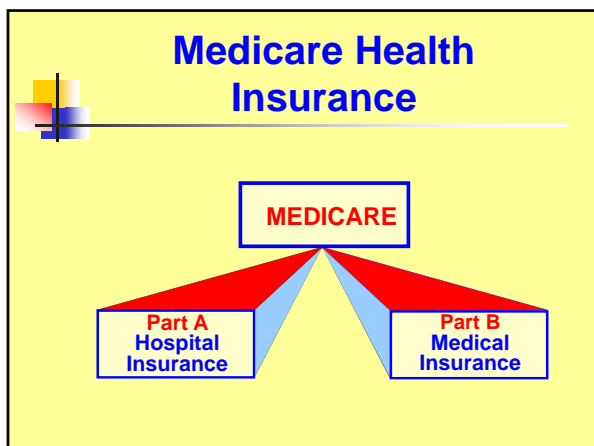
---

---

---

---

---



---

---

---

---

---

---

---

---

**Monthly Medicare  
Part A Premiums - 2012**

Based on Work Credits

- 40 quarters ----- Free  
(Eligible for Social Security benefits)
- 30-39 quarters ----- \$248
- Less than 30 quarters -- \$451

---

---

---

---

---

---

---

---

**Monthly Medicare  
Part B Premiums - 2012**

- Income below:  
\$85,000 individual and  
\$170,000 joint –  
\$99.90/month premium

---

---

---


---

---

---

---

---



## Paying the Part B Premium

- Taken out of your monthly payment:
  - Social Security
  - Railroad Retirement
  - Federal Government retirement
- May be billed every 3 months

---

---

---


---

---

---

---

---



## Enrolling in Medicare Part B

- **Initial Enrollment Period**
  - 7 months, beginning 3 months before age 65
- **General Enrollment Period**
  - January 1 through March 31 each year
  - Coverage effective July 1
  - Premium increases 10% for each 12-month period you were eligible but did not enroll
  - Pay this penalty as long as you have Part B

---

---

---


---

---

---


---

---



## Medicare-Eligible Retired & No Working Spouse

- Medicare is your primary coverage.
- Need to enroll in Medicare Part A *and* Part B.
- Enrolling in Part B later can result in higher premium and a wait before getting coverage.
- Retirement health coverage from employer will pay *after* Medicare.



---

---

---

---

---

---

---

---



## Medicare-Eligible *and* You or Your Spouse Works

### 20 or more\* employees

- Can continue on employer plan
- Employer can't offer alternatives
- Don't need to enroll in Medicare Part B
- Can enroll in Part B when worker retires regular premium & no delay in coverage

\*For those on Medicare due to disability, the number of employees is 100 or more.

---

---

---

---

---

---

---



## Medicare-Eligible *and* You or Your Spouse Works

### Fewer than 20 employees

- Employer can offer anything or nothing
- Medicare is primary insurance (unless employer chooses to be primary)
- May be able to delay enrolling in Part B
- Always verify enrollment delay with SSA

---

---

---

---

---

---

---



## Part B for Worker or Spouse Special Enrollment Period

- For worker or spouse with Medicare
- Up to 8 months after worker retires

---

---

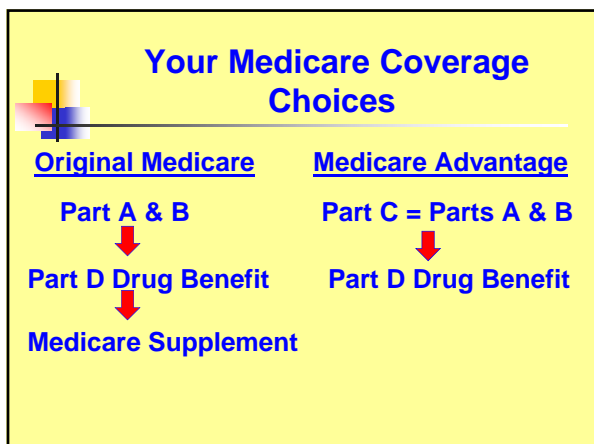
---

---

---

---

---




---

---

---

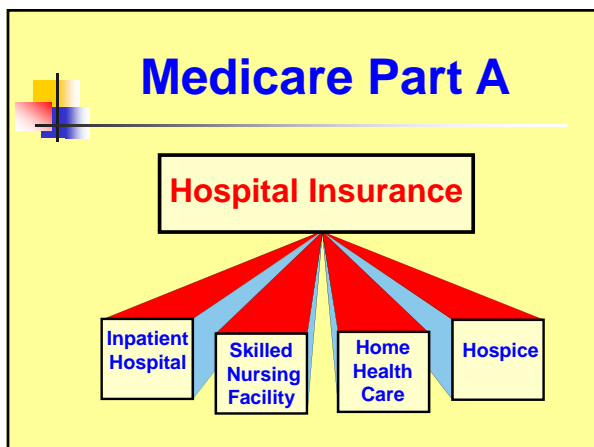
---

---

---

---

---




---

---

---

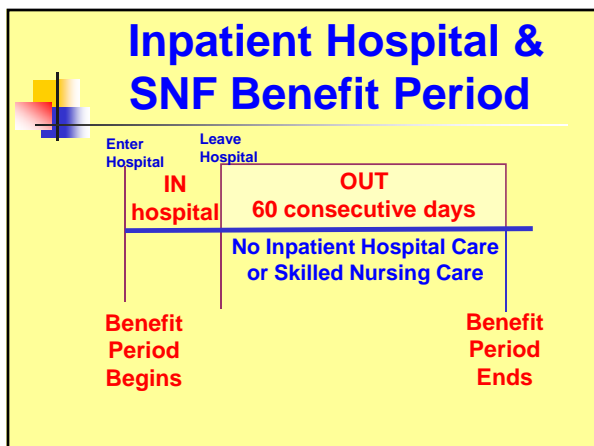
---

---

---

---

---




---

---

---


---

---

---

---

---



## Part A Inpatient

### What You Pay

Days 1-60	Days 61-90	60 Lifetime Reserve Days	You pay all costs
Deductible <b>\$1,156</b>	Daily Coinsurance <b>\$289</b>	Daily Coinsurance <b>\$578</b>	
Renewable days	Renewable days	Each day available only once	

---

---

---

---

---

---

---

---



## Skilled Nursing Facility Care

### What You Pay

Requirements:

- 3-day inpatient hospital stay
- Need daily skilled care
- Use a Medicare-certified Skilled Nursing Facility

Days 1-20	Days 21-100	You pay all costs
Medicare pays 100%	Daily Coinsurance <b>\$144.50</b>	

---

---

---

---

---

---

---

---



## Home Health Care

Covered Services

- Part-time skilled nursing care
- Therapy—occupational, physical, speech-language
- Some home health aid services
- Durable medical equipment

---

---

---

---

---

---

---

---



## Paying for Home Health Care

- In Original Medicare you pay:
- Nothing for covered home health care services
- 20% of Medicare approved amount for durable medical equipment, plus excess charges for some providers

---

---

---

---

---

---

---



## Hospice Services

- Medical equipment and supplies
- Drugs for symptom control & pain relief
- Respite care in a Medicare-certified facility
- Home health aide & homemaker services
- Social worker services
- Dietary counseling
- Grief counseling

---

---

---

---

---

---

---



## Paying for Hospice Services

- In Original Medicare you pay:
- Up to \$5 for prescription drugs
- 5% for inpatient respite care

---

---

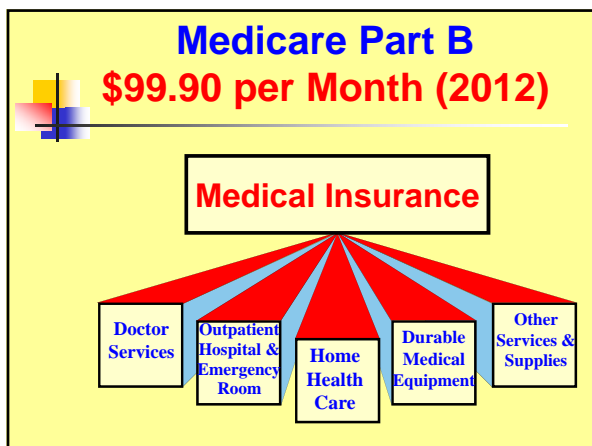
---

---

---

---

---




---

---

---

---

---

---

---

---

- 
- Covered Preventive Services**
- Welcome to Medicare preventive visit
  - Annual wellness visit
  - Abdominal aortic aneurysm screening
  - Bone mass measurement
  - Cardiovascular screenings
  - Colorectal cancer screenings
  - Diabetes screening
  - Glaucoma tests
  - Mammograms (screening)
  - Pap test/pelvic exam/clinical breast exam
  - Prostate cancer screening
  - Flu shots, pneumococcal shots & Hepatitis B shots
  - Smoking cessation
  - Alcohol misuse counseling—New in 2012
  - Depression screening—New in 2012
  - Obesity screening & counseling—New in 2012

---

---

---

---

---

---

---

---

**Medicare Part B**  
**Payments for Services**

**Approved Amount**

You pay \$140 annual
<b>Medicare pays 80%.</b>
You pay 20%.
You may pay excess of 15% (or more for equipment).

**No annual or lifetime limit**

---

---

---

---


---

---

---

---





## Medicare Part B Claims

---

- **If provider accepts “assignment”**
  - Agree to accept Medicare’s “approved” amount as full payment
  - You only pay deductibles & coinsurance
  - Medicare sends its payment directly to the provider
- **If provider does not accept “assignment”**
  - May charge up to 15% more than the “approved” amount
  - May ask you to pay entire charge at time of service
  - Medicare sends its payment to you and you pay the provider

---

---

---


---

---

---

---

---



## Use Original Medicare Nationally

---

- **With original Medicare Parts A and B you can use any provider who accepts Medicare and has a provider number.**
- **You are not limited to a provider network.**

---

---

---


---

---

---

---

---



## Medicare Savings Programs

---

- **Qualified Medicare Beneficiary (QMB)**
  - For people with limited income & resources
  - Pays Medicare premium(s), deductibles & coinsurance
- **Specified Low-income Medicare Beneficiary (SLMB) and Qualifying Individual (QI)**
  - Pays the Medicare Part B premium

---

---

---

---

---

---

---

---

## Medicare Supplement Insurance

- Health insurance policies sold by private insurance companies
- Also called "Medigap"
- Cover "gaps" in Original Medicare Plan
- 10 standardized policies

Plans A, B, C, D, F, G, K, L, M, N

- Costs may vary
  - By plan
  - By company
  - Where you live

---

---

---

---

---

---

---

---

## Standard Plans -- 10 Benefit Packages

	Plan A	Plan B	Plan C	Plan D	Plan F	Plan G	Plan K	Plan L	Plan M	Plan N
Part A Hospital	X	X	X	X	X	X	X	X	X	X
Part A Hospice Coinsurance	X	X	X	X	X	X	X	X	X	X
Part B Coinsurance	X	X	X	X	X	X	50%	75%	X	X
Part A & B Blood	X	X	X	X	X	X	50%	75%	X	X
Additional Benefits										
SNF Coinsurance			X	X	X	X	50%	75%	X	X
Part A Deductible		X	X	X	X	X	50%	75%	50%	X
Part B Deductible			X		X					
Part B Excess					X	X				
Foreign Travel Emergency			X	X	X	X			X	X
Out-of-pocket annual limit							\$4,620	\$2,310		

---

---

---

---

---

---

---

---

## Guaranteed Access Open Enrollment



- Available at age 65 or older
- Triggered when Medicare Part B starts
- Lasts six months from Part B effective date
- Can't be turned down
- Pay standard premium

No open enrollment for those under 65

---

---

---

---

---

---

---

---



## How to Avoid Waiting Period for Pre-Existing Conditions

- During open enrollment **IF** you apply within **63 days** of loss of creditable coverage
- New policy **replaces** one you have now
- Look for company with no waiting period
- Special protections when you lose insurance

---

---

---

---

---

---

---



## Medicare Part D

Available for all people with Medicare

- Enrolled in Part A and/or Part B
- Includes those on Medicare due to disability

---

---

---

---

---

---

---



## Initial Enrollment Period (IEP)

New Medicare Beneficiary – can join a drug plan any time during the 7-month period surrounding their Medicare eligibility.

---

---

---

---

---

---

---



### Annual Coordinated Election Period October 15 – December 7

During the Annual Election Period you can:

- Change prescription drug plans
- Enroll in a drug plan for the first time
- Drop Medicare drug coverage
- Enroll in a Medicare Advantage plan
- Change Medicare Advantage plans
- Disenroll from a Medicare Advantage plan or
- Keep your current coverage

---

---

---

---

---

---

---

---



### Special Enrollment Periods

- Change in residence
- Qualify for low income assistance
- 5-Star plans one-time SEP
- Contract violation, non-renewals or terminations
- Involuntary loss of, or not adequately informed about, creditable coverage
- Moving into, residing in or leaving a long-term care facility
- Qualify for Medicaid coverage including help with Part B premium
- Lose Medicaid benefits

---

---

---

---

---

---

---

---



### Who can change plans anytime?

- If you have Medicaid coverage or get help from your State with Medicare premiums and/or cost sharing
  - SSI Medicaid
  - QMB/SLMB/Q-1
  - Elderly Waiver
  - Medically Needy
  - Medicaid for Employed Persons with Disabilities
- If you live in a long-term care facility
- Eligible for Part D "extra help"

---

---

---


---

---

---

---

---



## Monthly Medicare Part D Premiums

- Income above:
  - \$85,000 individual and
  - \$170,000 joint –
  - pay a higher premium

---

---

---

---

---

---

---

---



## Late Enrollment Penalty

- Assessed 1% of base premium\* for every month you were eligible to enroll in Medicare's prescription drug coverage and did not enroll
- Pay penalty for life

Example: Did not enroll in 2006--your penalty would be 67 months X 1% or 67% X \$31.08 or \$20.82 per month in penalty

\* \$31.08 in 2012

---

---

---


---

---

---

---

---



## Standard Benefit-What You Pay

- Deductible—cannot exceed \$320
- Co-payment or coinsurance until you reach the coverage gap (or donut hole)--which is \$2,930 in total drug costs (what you pay and the plan pays)
- Coverage gap—once you reach the gap, you get a 50% discount on brand name drugs and 14% discount on generics; when your true out-of-pocket costs reach \$4,700 the gap ends
- 5% coinsurance after you leave the gap

---

---

---

---

---

---

---

---

## TrOOP (True Out-of-Pocket) Costs

- The amount of money to reach catastrophic coverage 2012 = \$4,700
- Consists of
  - Deductible - **\$320** in 2012
  - Coinsurance/co-payments up to Coverage Gap
  - 100% of brand name drug costs and 86% of generic drug costs during the Coverage Gap
- Medicare prescription drug plan premium is not part of TrOOP

---

---

---

---

---

---

---

## Annual Notice of Change (ANOC)

- Plan sends a notice to enrollee by September 30
- Notice provides plan benefits for next year including: premium, deductible, co-pays, any formulary or pharmacy changes

---

---

---

---

---

---

---

## Creditable Coverage Notice

- Individuals receiving their prescription drug coverage from an employer, retiree or pre-standard Medicare supplement plan will receive a notice by September 30 each year telling them if their coverage is "as good as or better than Medicare coverage"

---

---

---

---

---

---

---

## Part D for Worker or Spouse Special Considerations

- Enrollment in Part A triggers Part D eligibility
- Check if employer coverage is creditable

---

---

---

---

---

---

---

## Eligible for Extra Help with Prescriptions

- Income below \$16,335 (Single) and assets are below \$13,070
- Income below \$22,065 (married) and assets are below \$26,120
- Contact Social Security to enroll
- SHIP can help you

---

---

---

---

---

---

---

## Comparing Part D Plans

- Premium
- Deductible
- Formulary
- Cost
- Coverage in the Gap
- Pharmacy

---

---

---

---

---

---

---



## How do you compare plans?

Information is Online

[www.medicare.gov](http://www.medicare.gov)



SHIIP can help you compare plans!

---

---

---

---

---

---

---

---



## Other Options for Filling Medicare's Gaps

- Employer plan through current job
- Retiree health plan from employer
- TRICARE/TRICARE for Life
- VA medical benefits
- Indian Health Services/tribal medical benefits
- Medicaid

---

---

---


---

---

---

---

---



## Other Options for Filling Medicare's Gaps

- Employer plan through current job
- Retiree health plan from employer
- TRICARE/TRICARE for Life
- VA medical benefits
- Indian Health Services/tribal medical benefits
- Medicaid

---

---

---

---

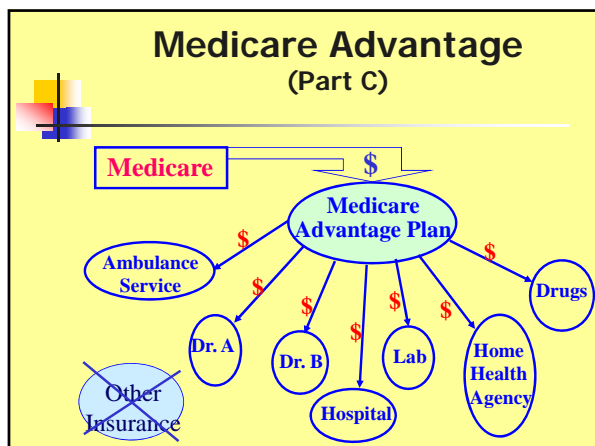
---

---

---

---






---

---

---

---

---

---

---

---

### Medicare Advantage Eligibility

- Have Medicare Parts A & B
- Covers people on Medicare because of disability
- Do not have end-stage renal disease
- Live in service area

---

---

---

---

---

---

---

---

### Medicare Advantage A Private Solution

- Medicare contracts with a private company on an annual basis.
- Contracts require that plans provide Medicare Part A & B services.
- The plan handles claims.
- You receive services and make payments based on the private plan's rules.
- There are no supplements for these plans and Medicare supplement insurance will not pay.

---

---

---

---

---

---

---

---

## Medicare Advantage Out-of-Pocket Costs

- Must still pay Part B premium
- May pay additional monthly premium
- Pay other out-of-pocket costs
  - Different from Original Medicare Plan
  - Vary from plan to plan

---

---

---

---

---

---

---

## Medicare Advantage Annual Contracts

- ❖ Contract year is January 1 through December 31
- ❖ The plan can be renewed, changed or terminated on an annual basis

---

---

---

---

---

---

---

## Medicare Advantage Types of Plans

- ❖ HMO—Health Maintenance Organization
- ❖ POS—HMO with Point of Service Option
- ❖ PPO—Preferred Provider Organization
- ❖ Private Fee-For-Service
- ❖ Special Needs Plans
- ❖ Cost Plan

---

---

---

---

---

---

---



## Medicare HMO/POS

Check that your providers will accept the plan.

- Generally must get care and services from plan's network
- May have to pay full cost of care outside of plan's network
- POS allows visits to "out-of-network" providers
- May need to choose primary care doctor
- Need referral to see a specialist

---

---

---

---

---

---

---



## Medicare PPO

- Can see any doctor or provider that accepts Medicare
  - Don't need referral to see specialist
  - Don't need referral to see out-of-network provider
  - Copayment amounts set by plan
    - Will usually pay more for out-of-network care

---

---

---

---

---

---

---



## Medicare PFFS

- Check that your providers will accept the plan before receiving care.
- Understand when you can change plans.

---

---

---

---

---

---

---



## Medicare SNP

---

- **Limits membership to people**
  - Eligible for both Medicare and Medicaid
- **Designed to provide**
  - Special expertise of providers
  - Focused care management

---

---

---

---

---

---

---



## When Can You Join?

---

- **You can join a Medicare Advantage Plan or other Medicare plan**
  - **When first eligible for Medicare**
    - Initial Enrollment Period
  - **During specific enrollment periods**
    - Open Enrollment Period (Oct. 15- Dec. 7)
    - Special Enrollment Periods

---

---


---

---

---

---

---



## Initial Enrollment Period

---

- **New Medicare Beneficiary –**  
can join a Medicare Advantage plan any time during the 7-month period surrounding their Medicare eligibility.

---

---

---

---

---

---

---



## Protection when Enrolling in a MA Plan

If you enroll in a Medicare Advantage plan when you first enroll in Medicare part B at age 65 or older and disenroll within 12 months, you can go to Original Medicare and get any Medicare supplement offered in Iowa.

---

---

---

---

---

---

---



## Open Enrollment Period

- **October 15 – December 7**
  - Can choose new plan
    - Medicare Advantage Plan
    - Medicare Prescription Drug Plan
    - Original Medicare Plan
  - New plan starts January 1

---

---

---

---

---

---

---



## Medicare Advantage Disenrollment Period

- January 1 – February 14 each year
- Can return to original Medicare
- Can enroll in a stand alone Part D drug plan
- Change effective first day of following month

---

---

---

---

---

---

---

## Key Questions when Shopping for MA Plans

- Will my doctors, hospital and other medical providers accept payment from the MA plan?
- What are the deductibles, co-payments or coinsurance for the benefits I'm most likely to use?
- What is the annual out-of-pocket maximum?
- What is the premium?
- Do I live in the service area for the plan?
- Does the plan include prescription drug coverage?

---

---

---

---

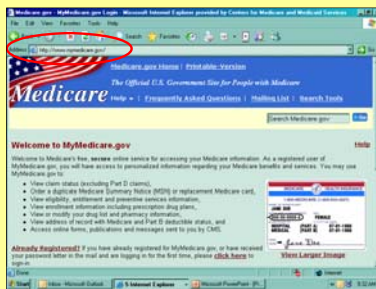
---

---

---

---

## mymedicare.gov




---

---

---

---

---

---

---

---

## Contacting SHIP



- **Statewide:** 1-800-351-4664  
(TTY 1-800-735-2942)
- **Website:** [www.therightcalliowa.gov](http://www.therightcalliowa.gov)
- **E-mail:** [ship@iid.iowa.gov](mailto:ship@iid.iowa.gov)
- **Local:** Check Web site or  
Call toll-free

---

---

---

---

---

---

---

---



## Consider Volunteering for SHIIP

- A challenging and rewarding opportunity to help lowans on Medicare
- Be a counselor, computer volunteer, member of our speakers bureau/promote SHIIP
- For more information call SHIIP at 1-800-351-4664

---

---

---

---

---

---

---